

OFFICE OF THE GENERAL COUNSEL
Division of Operations-Management

MEMORANDUM OM 03-98

August 1, 2003

TO: All Regional Directors, Officers-in-Charge,
and Resident Officers

FROM: Richard A. Siegel, Associate General Counsel

SUBJECT: Utilization of Government Leased Vehicles

The Inspector General (IG) recently completed an audit of vehicles the Agency leases from the General Services Administration (GSA) for use in the field offices. The audit reviewed GSA car use and records management for the vehicles in eight Regional Offices and one Resident Office. The following deficiencies regarding the use and management of the vehicles were noted:

- overpayments to employees for the use of privately owned vehicles (POV), when GSA cars were available and the employees had not affirmatively opted to use their P.O.V.
- failure to satisfy the 3,000 miles per quarter or 12,000 miles per year per vehicle standard set by GSA;
- failure to maintain complete records to document that the vehicles were used for official government business;
- lack of vehicle operator packets required by GSA regulations;
- permitting an employee to operate a GSA car without a valid driver's license;
- failure to prepare a vehicle accident report.

Employees using a POV for official business are compensated at different rates, depending on whether they have elected to use a GSA car and if one is available for their use. Article 29 of the field collective bargaining agreements provides that employees who elect, in writing, to use their POV for official travel will receive (currently) \$.36 per mile. Section 2 of that article describes the procedures for employees to designate whether they will use a POV or GSA car and provides that if they fail to do so, they are presumed to elect to use a GSA car¹. Section 3 of the article sets forth the

¹ Regional management must provide new professional employees POV/GSA election forms within 15 days after entry on duty and within the same period of time for support staff employees assigned the duties of Election Specialist, Compliance Assistant or Secretary to the Compliance Officer. The election must be in writing and is binding for a period of one year. Employees may alter their election by notifying the Regional Director within 90 days of the expiration of the one-year period. Absent timely written notice, the election shall automatically renew for a period of one year.

reimbursement rates for employees depending on the circumstances of their POV use, which tracks the provisions of the Federal Property Management Regulations (FPMR). Specifically, employees who elect to use GSA cars, or fail to make a written designation, and use their POV may only be reimbursed at the rate of \$.105 per mile if a GSA car was available for their use.

The IG examined travel vouchers approved for payment and determined that in 47% of the samples reviewed, employees who elected to use GSA cars were paid \$.36 per mile for use of a POV when a GSA car was available. These payments appear to have been improper under the FPMR and Article 29. To better achieve compliance with these provisions, Regions should ensure that employees are aware of the provisions of Article 29 and secure written designations from employees who travel on official business. Managers who review and approve travel vouchers are responsible for ascertaining that reimbursement for the use of POV at the higher rate is appropriate and, if necessary, supported by documentation indicating that no GSA car was available.

The FPMR permit agencies to develop alternative use criteria for the utilization of GSA cars, other than the mileage standards noted above. In conjunction with representatives from the field, we have developed the following alternative criteria. If a GSA car receives substantial² use 8 days a month, on average, each year, the vehicle will satisfy the first alternative criterion. If the GSA mileage standards or the first alternative criterion cannot be met, Regions can justify the use of a vehicle under a second alternative criterion by submitting a memorandum by January 31 of each year to their Deputy or AGC for approval. Such factors as the cost of alternative transportation, including both P.O.V. and rental cars; the availability of alternative transportation; the percentage of employees selecting GSA cars for official travel (and of those, the number without access to a P.O.V. if a GSA car is not available); and, convenience factors (i.e. the distance of rental car agencies from the duty station, the hours of operation, the cost in employees' time and the availability of parking for the rental cars or P.O.V. while employees transfer equipment to the vehicle, etc.) are examples of criteria Regions may wish to consider. The analysis should compare the cost of a GSA car for the location versus the use of a P.O.V. and/or a rental car³. Since GSA car lease rates are currently \$168.00 per month and \$.10 per mile for all locations, the primary variables will be parking costs and the predicted frequency of use. Regional management should conduct quarterly audits of GSA car use to ensure that the

² For instance, using the car in and around the duty location exclusively for short trips may not constitute substantial use. Assuming, for example, that the car is used 8 days a month. If the cost of using alternative modes of transportation is \$39.75 or more for each day, in addition to any mileage costs, it is cost effective to use a GSA car. The \$39.75 bench mark was calculated assuming a fixed cost of the \$168 monthly lease and \$150 monthly parking rate for the GSA car, divided by 8 uses per month. Variances in parking costs for the GSA car and the number of uses per month will, of course, alter the comparison.

³ Past instances requiring a commercial car rental would be the most reliable measure of the cost and frequency of this alternative.

appropriate criterion is being met. If any GSA car does not meet the applicable criterion for 3 quarters within the fiscal year, Regions should notify their Deputy or AGC to discuss returning the vehicle to GSA.

To ensure proper oversight and management of the GSA car program in the Field, Regional Directors should designate a Regional manager as responsible for ensuring that adequate records are maintained for each GSA car assigned to the Region. These records must be maintained in the Region for 1 year after the close of the fiscal year in which the records were generated. The records should be destroyed thereafter. At a minimum, the records maintained by the Region should include beginning and ending mileage, the name of the operator, purpose of the travel and condition of the vehicle. Attached are sample documents for your use⁴, including a vehicle log (which may be helpful in prioritizing requests and establishing when a GSA car was available), a record of use to be filled out by each operator at the conclusion of travel and a form to be filled out by each employee requesting the higher mileage rate because a GSA car was not available for their use⁵. Regions should also develop a system agents may use to reserve a GSA car so that a record exists to justify a higher reimbursement rate for employees who have designated the use of a GSA car, but one is not available for their use.⁶

The FPMR require that an operator's packet remain in a government vehicle at all times. The packet must include information regarding the driver's responsibilities; regulations regarding official use of vehicles; instructions regarding maintenance and repairs; emergency supplies; and information regarding the reporting of accidents. The IG's audit disclosed that eight of the twenty-two vehicles inspected had missing or incomplete operator's packets. Accordingly, Regions should conduct regular checks of each GSA vehicle to ensure that a complete operator's packet is present.

FPMR regulations also require that each individual driving a GSA car have a valid operator's license. The IG's audit determined that one employee in the offices visited did not have a valid license while operating a GSA car. The sample operator's use form contains a declaration to be signed by each employee stating that he or she possesses a valid license while driving the vehicle. Regional management should issue employees periodic reminders that they must immediately notify the Director if their operator's license has been suspended or otherwise limited, so that the Director can determine whether the employee is permitted to use a GSA car.

⁴ The use of these samples is not mandatory if other appropriate forms are used, but Regions bear the responsibility of ensuring that all relevant information is collected and preserved.

⁵ This form need not be completed if the employee has elected to use his/her POV for official travel.

⁶ Regions could consider creating an Outlook calendar accessible to all employees. To reserve a car, an agent would type his or her name; the purpose; the date(s) of use; the date the reservation was made; and, the date, if applicable, the reservation was cancelled. This method will provide employees the current status of GSA cars and record of which mileage reimbursement is appropriate.

The IG recommended that the Agency develop procedures to maintain license plate information in conformance with the FPMR. Recently, the Procurement and Facilities Branch (PFB) collected the following information from each Region assigned GSA cars to create a database:

1. The state in which the vehicle is licensed, tag number and expiration date.
2. The make and model of the vehicle.
3. A complete history of any re-assigned license plates.
4. A list of any destroyed or voided license plates.

In order to maintain the accuracy of the database, Regions should submit this information to Timothy Wright, Property Management Section Chief, PFB, each time a change in the license plate or vehicle assigned to the Region occurs.

Finally, in the event a GSA car is involved in an accident, an accident report must be completed immediately⁷ and submitted to the office manager.

If you have any questions concerning this memorandum please contact DAGC Gary Muffley or your AGC or Deputy.

/s/
R.A.S.

Attachments
cc: NLRBU

⁷ Standard Form 91, Motor vehicle Accident Report, and Standard Form 94, Statement of Witness, is included in the Operator's Packet for this purpose.

GOVERNMENT CAR LOG

[illegible]

Request For Higher Reimbursement For Privately Owned Vehicle

I have previously elected to use a GSA car for official travel. I was traveling on official business on _____ for the purpose of conducting an (investigation) (election) (trial work)(other reason: _____) regarding (Case Name: _____ Case No. _____).

I certify that there were no GSA cars available for this travel and I am requesting reimbursement at the rate of \$.36 for use of my POV to conduct Agency business.

Employee Name

Date

Approved

Date

LICENSE NUMBER

ASSIGNED TO: _____ CAR LAST ASSIGNED TO _____

DATES OF USE: _____

PURPOSE OF USE: _____
(Nature of work performed, location and case number)

ENDING MILEAGE _____

BEGINNING MILEAGE _____

TOTAL MILES _____

REMARKS: _____

REMINDERS:

LOCK THE CAR WHEN YOU PARK

REPORT ANY DAMAGE TO CAR TO _____

I CERTIFY THAT I POSSESSED A VALID DRIVER'S LICENSE AT ALL TIMES I OPERATED THIS VEHICLE.

NAME_____
DATE

AT THE CONCLUSION OF TRAVEL, THIS FORM MUST BE COMPLETED AND SUBMITTED TO _____